Related MLN Matters Article #: SE0587

Date Posted: December 22, 2005

Related CR #: N/A

Multiple Procedure Reduction of the Technical Component (TC) of Certain Diagnostic Imaging Procedures

Key Words

SE0587, multiple, procedure, reduction, technical, component, TC, diagnostic, imaging, procedure

Provider Types Affected

Physicians and suppliers billing Medicare carriers for diagnostic imaging supplies and services

Key Points

- The effective date of the instruction is January 1, 2006.
- The implementation date is January 3, 2006.
- The Centers for Medicare & Medicaid Services (CMS) is phasing in a payment reduction of the technical component (TC) of selected multiple diagnostic imaging procedures with a 25 percent reduction in CY 2006 and a 50 percent reduction in CY 2007.
- Medicare prices diagnostic imaging procedures in the following three ways:
  - The professional component (PC) represents the physician's interpretation (PC-only services are billed with the 26 modifier);
  - The technical component (TC) represents practice expense (PE) and includes clinical staff, supplies, and equipment (TC-only services are billed with the TC modifier); and
  - The global service represents both PC and TC.
- The reduction applies to TC only services and the TC portion of global services for the following 11 families of imaging procedures (specifically detailed in MLN Matters article SE0587 found at http://new.cms.hhs.gov/MLNMattersArticles/downloads/SE0587.pdf on the CMS web site):
  - Family 1 Ultrasound (Chest/Abdomen/Pelvis – Non-Obstetrical)
  - Family 2 CT and CTA (Chest/Thorax/Abd/Pelvis)

  - Family 3 CT and CTA (Head/Brain/Orbit/Maxillofacial/Neck) In the latter case, CMS has established that the physician should use modifier -59 to indicate multiple sessions, and that the multiple procedure reduction does not apply.
  - Family 4 MRI and MRA (Chest/Abd/Pelvis)
  - Family 5 MRI and MRA (Head/Brain/Neck)
  - Family 6 MRI and MRA (Spine)
  - Family 7 CT (Spine)
  - Family 8 MRI and MRA (Lower extremities)
  - Family 9 CT and CTA (Lower extremities)
  - Family 10 MRI and MRA (Upper extremities and joints)
  - Family 11 CT and CTA (Upper extremities).
- The reduction does not apply to professional component (PC) services.
- For 2006, CMS is making full payment for the highest priced procedure and payment at 75 percent for each additional procedure, when performed during the same session on the same day.
- For 2007, subsequent procedures will be paid at 50 percent.
- CMS considers a single session to be one encounter where a patient could receive one or more radiological studies. If more than one of the imaging services in a single family is provided to the patient during one encounter, then this would constitute a single session and the lower-priced procedure(s) would be reduced.
- If a patient has a separate encounter on the same day for a medically necessary reason and receives a second imaging service from the same family, then CMS considers these multiple studies in the same family on the same day to be provided in separate sessions. CMS has established that the physician should use modifier - 59 to indicate multiple sessions, and that the multiple procedure reduction does not apply.

Important Links

http://new.cms.hhs.gov/MLNMattersArticles/downloads/SE0587.pdf

CMS responded to comments in the Final Rule, which was published in the Federal Register on November 21, 2005 (Section J, page 70261), which can be found at http://www.access.gpo.gov/su_docs/fedreg/a051121c.html on the Government Printing Office's web site.